

## Study of Branding: Positioning & Repositioning

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### Abstract

This paper revisits and reviews how branding (specifically positioning and repositioning) affects products. With the help of case lets, the author demonstrates how repositioning at the correct time can enhance the shelf life of a product. The researcher also examines what are the factors that the marketing manager needs to pay close attention while opting for a repositioning strategy. Merely repositioning for the sake of repositioning will not be successful and yield the desired results.

**KEYWORDS:** Brand, Global Brand, Branding, Positioning and Repositioning

### Background

The word 'brand' has been used in the Bible and branding has since then expanded in many different directions. The English word 'brand' originally comes from the old Nordic word "brandr" and means, in translation, "to brand" or "to mark". The first actual signs of branding started with cattle, earthen vessels and Egyptian buildings. (Bjorkdahl,2004)

It is in the late 19th century when the Industrial Revolution took place: local shopkeepers were replaced by bigger shop; so producers branded their merchandise with their own name - for example, Mr. Lipton and Mr. Gillette. Many brand names were also invented and some of them still exist today - Coca-Cola, for instance (Bjorkdahl,2004).

It was first during 1990 brand got big breakthrough and the expressions like brand equity and brand management started to play huge role in the success of companies. (Varterminen,2012)

Strong brand adds value to the company. Today consumers can choose between dozen of products of the same type and quality where brand act as a marketing tool.

### Brand

Brand is a name, sign, symbol, slogan or anything that is used to identify and distinguish a specific product, service, or business. A legally protected brand name is called a proprietary name. Brand is the image of the product in the market. (Manocha,2014)

Some marketers describe a brand as Product + Package + Added value. (Martenson,2009). A brand for a company is like a reputation for a person. You earn reputation by trying to do hard things well. Today brands are identified as an intangible asset that can be revenue generating in the long run. (Manocha,2014)

"A Brand is a name, term, sign, symbol or design, or combination of these that identifies the maker or seller of the product or services." Kotler & Armstrong.

## Global Brand

A global brand is one which is perceived to reflect the same set of values around the world. Global brands transcend their origins and create strong, enduring relationships with consumers across countries and cultures.

Global Brands are brands which sold to international markets. Ex., Coca-Cola, McDonald's, Marlboro, Levi's etc. These brands are used to sell the same product across multiple markets, and could be considered successful to the extent that the associated products are easily recognizable by the diverse set of consumers. ( Manocha,2014)

### 10 key functions/ Role of Brand (Lehu, 2001)

1. **The brand attracts:** - It draws the consumer's attention to the product and enables it to exist in an increasingly competitive world.
2. **The brand informs:** - It informs the potential buyer about its own characteristics and the characteristics of its products.
3. **The brand positions:** - Explicitly or implicitly, it delivers information assisting its own positioning and that of its products.
4. **The brand distinguishes:** - It is increasingly becoming the factor of absolute differentiation between two products with similar characteristics.
5. **The brand endorses:** - It reassures the consumer about the promise made for a product with which he or she is not yet familiar.
6. **The brand communicates:** - It builds and nurtures an affinity-based capital around the Company and/or its products.
7. **The brand simplifies:** - The establishment of a relationship built on confidence and loyalty assists the process of choice for the consumer.
8. **The brand satisfies:** - It wins over the consumer by satisfying his or her expectations and sharing his or her values.
9. **The brand defines:** - It creates the impression of belonging to a defined group.
10. **The brand adds value:** - It promotes a transfer of image and of status towards the buyer, who feels enriched as a result.

## Branding

Branding is process of giving an attractive name or symbol to the product by which it will be identified in the market and remembered by the traders and consumers. It is also said as the process involved in creating a unique name and image of the product in the consumers mind. (Joji & Varghese,2016)

## Positioning

Positioning has been one of central terms in marketing for the past 30 years and is still today. (Bjorkdahl,2004). A Product positioning means creating a distinctive place / position, relative to the competing product/ brands, in the mind of the customers.It is an act of designing the company's offering and image to occupy a distinct place in the minds of people. (Manocha,2014)

Here seller focus on two things;

1. How his brand is perceived by the consumers and
2. How the brand is perceived in comparison to his competitors brand.

**Definition**

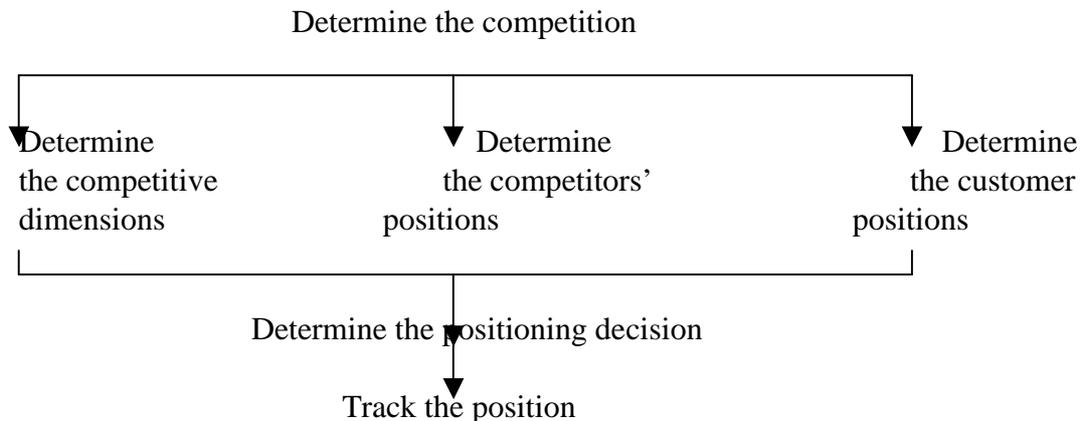
“ Positioning is not what you do to the product. Positioning means what you do to the mind of the prospects i.e. you position (place) the product in the mind of the prospect.” (Jac kTrout & Al Ries, n.d.)

Basic condition for implementing a successful positioning is making a core competence analysis and by that realizes which attribute is bringing brand’s most essential benefits. (Melin,1999) Having and knowing company’s core competences, company should as a next step develop “unique selling proposition”, that can be offered to customers. As an example Volvo is mentioned: “Volvo – the safe car” which includes both trademark, USP and generic term. The point is to connect the brand with USP so when one of these is mentioned the other one is supposed to pop up in customers mind immediately. Core competence has to be transformed into terms that will make customer understand value it gets by this competence. (Bjorkdahl,2004)

**Knowing your position**

Within positioning lies the origin of positioning research and to be able to understand company’s position there is therefore need to go through positioning research process that is made in several steps which are explained in figure. (Hooley & saunders,1993)

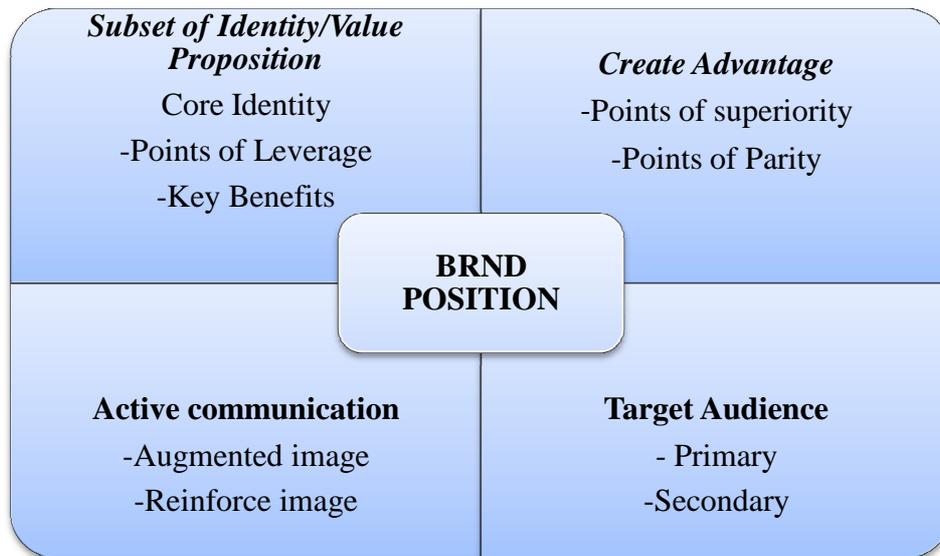
Figure 1. The Positioning research process



**Parts of a brand position**

Position of a brand consist of many different parts and each one of these has to be handled carefully in order to succeed with the process of positioning. Aaker has in model “Brand Position” explained these different parts.(Aakar,1996)

Figure 2. Brand Position



**Subset of Identity/Value Proposition**

For a company it is extremely crucial to develop and understand the core identity since this is not changing over the time and company should decide which parts of the identity that should be communicated to the customers since the identity of the brand and its core value may be the basis of brand positioning.

According Melin (1999) core value should be able to communicate, valuable, hard to imitate and unique. An analysis of the core value can help the company to identify those parts of the brand that are differentiating one product from another and that customers believe are satisfying their needs and is offering them more worth which can consequently lead to brand loyalty.

**Create Advantage**

Quality and innovation are two core values that customers usually find important but it is essential that company offer and point out advantages that can keep superiority during long time since positioning is a costly and long time demanding process.

It is crucial that company get to know their chosen target group and understands which advantages offered by the products and the brand will please and satisfy them. If these factors and advantages are identified correctly it becomes simple for the company to communicate with its customers and create a strong long time relationship.

**Target audience**

Target audience are company’s possible customers and the company should know to which audience to turn to before entering the positioning process. Company has to focus mainly on the primary audience to create strong brand image. This will help company to get better share in the market.

**Active communication**

The brand also have to communicate to the customers and inform of which advantages it is offering. Both functional and emotional benefits used may help to position brand in

customers' mind by pointing out something exclusive by this brand. This can lead to a very good relationship between the brand and customers and brand loyalty may be achieved.

### Repositioning

According to Kotler (1996) there are three positioning alternatives to be considered: either to strengthen brand's present position, to search new still unexploited position or as a third alternative to reposition.

Brand repositioning is all about changing the status or position of brand by modifying its appeal to customers. For instance, *Dettol* toilet soap was positioned as a beauty soap initially. This was done in line with its core values. *Dettol*, the parent brand (anti-septic liquid) was known for its ability to heal cuts and gashes. The extension's "beauty" positioning was not in tune with the parent's "germ-kill" positioning. The soap ("bath for grimy occasions") and it fared extremely well after repositioning. Here, the soap had to be re-positioned for image mismatch. (Manocha,2014)

After examining the repositioning of several brands from the Indian market, the following 8 types of repositioning have been identified. These are; ( Manocha,2014)

- 1. Increasing relevance to the consumer.** A brand that has been in existence in the market for longtime may lose touch with consumers because the consumer's needs may have changed. Thus, it is possible that a brand is fundamentally sound and yet is not in tune with the consumer's current concerns. Such a situation calls for a change in positioning. The following examples illustrate this concept.

**Lipton Yellow Label Tea:** Initially it was positioned as a delicious, sophisticated and premium tea for the global citizen. The advertisements also echoed this theme. For instance, all the props and participants in the advertisements were foreigner. It is possible that this approach did not favour with the Indian customers. The repositioning specifically addressed the Indian consumer through an Indian idiom. Illustrations of the above type of repositioning is listed below.

Exotic & Foreign (old Position) -----→ Exotic & Indian (Reposition)

**Maruti Omni:** Maruti Omni is a van. It probably was also the cheapest Maruti vehicle available in the market. Yet, Maruti did not pitch it as a value for money vehicle. It is well known that Ambassador scores on roominess. Besides Maruti 800 is seen as a small car. Thus Maruti pitched it as the "most spacious car."

Van (old Position) -----→ Most Precious Car (Reposition)

- 2. Increasing occasions for use.** Sometimes the positioning chosen becomes too narrow. This might lead to a situation of having too few customers. Such a small franchise may make the brand commercially unviable. One of the methods of increasing use is by increasing the usage rate. This is done by the number of occasions available for use.

**Cadbury's Drinking Chocolate:** Cadbury's Drinking Chocolate initially called itself "good night cap" signifying the time of Consumption. The user base possibly proved to

be small. In an effort to increase the numbers, it positioned itself as a drink for the “happiest time of the day.” This was an effort to get the brand consumed during any time of the day thereby increasing the occasions for use.

Good night cap (old Position) -----→ Happiest time of the day (Reposition)

- 3. Search for an effective position.** Centaur formerly positioned as “hotel with style” is now positioned as “hotel for business class”. This is possibly because of the perception that a functional positioning is more likely to succeed than an up market positioning.

Hotel with Style (Old Position) ----→ Hotel for Business Class( Repositioned)

#### **4. Making the brand serious**

**Saffola:** Saffola was positioned as the edible oil “good for heart”. To make the positioning more serious, the pitch “Heart is not safe without Saffola” was adopted. This put Saffola in a different league as compared to the other oils making it the most health-conscious brand in the market.

Good for Health ( Old Position) ----→ Heart is unsafe without Saffola( Reposition)

#### **5. Declining sales**

**Red Label:** Brooke Bond’s Red Label is a typical example of how declining sales can precipitate repositioning. Red Label is an age-old brand with a franchise of its own. However, over a period of time it might have lost some of its relevance. Then at every stage they tried to Repositioned the brand and finally “Jiyo Mere Laal” help them to arrest falling sales. Which means, sometimes several attempts of repositioning had to be made.

- a. piyo-to-jano”- drink it and you will know the difference
- b. Desh -Ka- Pyaala”-India’s Tea
- c. 100% strong
- d. jiyo-mere-laal”-“long live my son

#### **6. Bringing in new customers**

**Cadbury’s Dairy Milk:** It was found that most adults wanted to eat *Cadbury’s Dairy Milk* but restrained themselves because it was supposed to be consumed by children. Thus, a repositioning campaign was launched which showed adults doing unconventional things (like a lady breaking into a jig in the middle of an overflowing cricket stadium) driving home the message that chocolates could be enjoyed by adults as well.

Sweet Treat for Kid (old Position) -----→ Adult as well (Reposition)

#### **7. Making the brand contemporary**

**Dabur Chyawanprash:** Dabur Chyawanprash basically had the positioning of being good for health and digestion. To make the brand more attractive to the consumer, the

nutritional element was added to its positioning.

Traditional (old Position) ----->Traditional + Nutritional (Reposition)

### 8. Changed market conditions

**Horlicks:** Horlicks was initially both a substitute and an additive to milk. This positioning served it well till the scarcity of milk was overcome in several parts of the country. Horlicks then shifted its positioning to “energy giver and health provider”.

Milk Additive (Old Position) ----> Nutrition (reposition)

## Conclusion

Determining when your brand needs to be repositioned is not always crystal clear. Some change their brand position too often in reaction to changing market trends. However some other don't update their look, feel or messaging for 10 or more years, falling out of step with buyer wants and needs. Clearly, neither extreme is right. According to my study when your business is facing any of these situations you need to reposition your brand. (Isen,2012)

### Six Reasons to Reposition

- I. Competitors have usurped your value proposition:
- II. Your brand position has become confusing
- III. Your company has a new, highly proprietary competitive advantage:
- IV. There is a change in the company's strategic direction
- V. A new competitor arrives and changes the game
- VI. There is a significant change in corporate culture

Brand repositioning doesn't start with a new design, logo or name. It starts by drawing on deep customer insights. Repositioning requires an intensely disciplined focus to realign the brand promise with unmet customer needs, in a way that is better than the competition is doing. When done well the payoff can be great. Repositioning done at the right time and in the right way is often the impetus that spurs a turnaround that leads to a company's continued success.

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